

REGULATIONS GOVERNING CLAIMS FOR REPLACEMENT OF VALUABLES,  
OR THE VALUE THEREOF, SHIPPED PURSUANT TO THE  
"GOVERNMENT LOSSES IN SHIPMENT ACT"

**\*TREA Declass/Release Instructions On File\***

1937  
Department Circular No. 577

Accounts and Deposits

TREASURY DEPARTMENT,  
Office of the Secretary,  
Washington, August 13, 1937.

TO THE HEADS OF THE EXECUTIVE DEPARTMENTS, INDEPENDENT ESTABLISHMENTS, AGENCIES, WHOLLY-OWNED CORPORATIONS, OFFICERS AND EMPLOYEES OF THE UNITED STATES, FEDERAL RESERVE BANKS WHEN ACTING ON BEHALF OF THE UNITED STATES OR AGENCIES THEREOF, AND OTHERS CONCERNED:

The following regulations are prescribed pursuant to section 6 of the Government Losses in Shipment Act, Public No. 192, 75th Congress, First Session, approved July 8, 1937, hereinafter referred to as the "Act." All terms used in these regulations shall have the same meaning as when used in said Act, unless otherwise indicated.

1. General Instructions - To facilitate the reporting of loss or destruction of, or damage to valuables and submission of proofs of claim for relief, under the provisions of section 3 of the Act, in the event of loss or destruction of, or damage to valuables shipped pursuant to the regulations prescribed under section 1 of said Act, executive departments, independent establishments, agencies, wholly-owned corporations, officers, employees, Federal Reserve banks when acting on behalf of the United States or agencies thereof, and others concerned, hereinafter sometimes referred to as "Consignors", should observe strictly the following instructions. Failure on the part of any

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instructions may retard recoveries and may under the circumstances preclude reimbursement from the Fund or other relief under the Act, and render the consignor responsible for any loss occurring through such negligence.

2. Method of Shipment - All shipments shall be made in accordance with the terms of Treasury Department Circular No. 576 - Post Office Department Circular No. REG. 1, dated July 16, 1937, and such amendments and supplements thereto as may, from time to time, be promulgated.

3. Preparation of Shipment - Each shipment must be inspected and verified by two responsible employees before final preparation for delivery to the carrier (to wit, before sealing, locking, etc.) and must be finally prepared for such delivery in their presence and before leaving their immediate control. In the case of any class of shipments with respect to which it is not possible or practicable to comply strictly with the foregoing requirement, it shall be the duty of administrative officers to make adequate provision, through the establishment of accounting controls, or otherwise, for the maintenance of basic records from which they will be in a position to prove to the satisfaction of the Secretary of the Treasury the exact extent of loss, destruction or damage, in the event that claim for replacement out of the Fund, or otherwise, shall be made. The foregoing requirements will apply irrespective of the carrier or method of transportation employed in making shipments.

4. Record of Shipment - A permanent record of each shipment must be maintained by the consignor which record must

include: (1) the name and address of the consignee; (2) a com-

plete description of the contents (if the shipment comprises securities, the record must be maintained by issue, series, denomination and serial number, and a description of the coupons, if any, attached to such securities at the time of shipment); (3) face or par value of shipment in the case of securities, currency, etc., or replacement value in the case of other valuables; (4) the registry number or the lock and rotary numbers, if any, under which shipped; (5) the number of the registry receipt or other receipt of carrier; (6) the date and hour of delivery to the carrier; (7) a record of the signatures of the employees who verified the contents of the package and witnessed sealing; (8) a record of the signatures of the employee or employees who thereafter had custody thereof, until delivered at the post office for registration or deposited with the post office or other carrier for shipment; and (9) the name of the carrier. In addition the consignor must preserve for a reasonable time all registry receipts or other carriers' receipts, and such other documents as may be incidental to the shipments.

5. Advice of Shipment - In the event the value of any one shipment to one consignee at one time, by one consignor, except in the case of an intra-city shipment, equals or exceeds \$10,000.00, immediate notice thereof must be forwarded by the consignor to the consignee by separate mail. There should be included in such notice: (1) a complete record of the contents of the shipment; (2) the method of transportation employed and the name of the carrier; (3) the date of delivery to such carrier. The consignee should be requested to arrange: (1) that the shipment, when received, be opened and inspected by one or more responsible

employees of the consignee; (2) that immediate advice of any difference between the amounts or quantity indicated in such notice and in the shipment when opened be forwarded to the consignor; (3) that the consignor and the post office, or office of other carrier through which delivery would be made, be notified immediately in the event of the failure of the shipment to arrive in due course; (4) that consignor be advised immediately concerning any damage to the shipment; and (5) that all findings of the consignee in such cases be made a matter of record which may be subject to the call or inspection of the Secretary of the Treasury or other duly authorized Government officer in connection with any investigation which may be necessary in connection therewith.

6. Report of Shipment - As promptly as possible after the close of each month, detailed reports of shipments made during the preceding month must be forwarded by the consignors to the Secretary of the Treasury, for attention of the Division of Deposits, substantially in the form attached hereto, marked as Exhibits Nos. 1, 2, and 3.

7. Report of Loss, Destruction or Damage - As soon as it shall come to the attention of the consignor that loss or destruction of, or damage to valuables shipped in accordance with the Act has occurred, an immediate report thereof shall be forwarded in writing by the consignor to the Secretary of the Treasury, for attention of the Division of Deposits. If the loss, destruction or damage represents a value equal to or in excess of \$10,000.00, or if delay is likely to retard the Government in its effort to recover such valuables, such report should be transmitted by wire and promptly confirmed in writing.

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Such report should indicate: (1) date of shipment; (2) the amount and character of the valuables lost, destroyed, or damaged; (3) the name and address of consignee; (4) the method of transportation, name of carrier and location of office of carrier from which shipment was made; (5) the registry receipt or other receipt number; and (6) a statement of the cause of the loss, destruction or damage, if known.

An immediate report of the loss, destruction or damage should also be made by the consignor to the agent in charge of the nearest United States Secret Service office and to the local post office or local office of other carrier. Government officers reporting losses to such agencies will be expected to cooperate therewith to the fullest extent in facilitating investigations and recovery.

As expeditiously as possible and without further instructions from the Secretary of the Treasury, the consignor should proceed to place a tracer on the shipment and to take such other action as may be deemed necessary or advisable to facilitate recovery.

8. Claim for Replacement - Claim for replacement shall be made in writing to the Secretary of the Treasury and shall be supported by "Proof of Claim" pursuant to paragraph 9 hereof. Such claim accompanied by a recommendation with respect to the manner of replacement thereof shall be submitted through the head of the executive department, independent establishment, agency, or wholly-owned corporation concerned, or, in the case of officers or employees under the Treasury Department, through their respective administrative heads. The manner of replacement shall be subject to the determination of the Secretary of

9. Proof of Claim - The Secretary of the Treasury may require proof of claim in such form and in such manner as may from time to time be deemed necessary.

In general, the requirements of the Secretary of the Treasury will be as follows:

- (1) Satisfactory proof of shipment as claimed, which should be supported by the original "Record of Shipment" required to be maintained pursuant to paragraph 4 hereof. The original record will be returned after adjustment of the claim.
- (2) Satisfactory proof of loss, destruction or damage. The consignor will be required to submit a statement concerning the loss or destruction of, or damage to shipment or any part thereof; and, if received by the consignee with contents not intact, all the circumstances must be set forth with respect to the condition in which such shipment was received and the manner of the inspection and verification of its contents. Whenever possible to do so, affidavits covering the loss, destruction or damage should be obtained from the consignee and the carrier. Such proof of claim must be accompanied by the recommendation of the head of the executive department, independent establishment, agency or wholly-owned corporation concerned, or in the case of officers or employees under the Treasury Department of their respective

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- (3) Statement and recommendation of investigating officer or officers.

10. Recoveries - In the event of loss or destruction of, or damage to valuables for which relief shall have been granted, under section 3 of the Act, the consignors are required to take such steps as are necessary and reasonable for the defense, safeguard or recovery of the valuables or the value thereof, as the case may be, and the Secretary of the Treasury will take such further steps to that end as he may deem necessary in the particular circumstances.

All recoveries and repayments on account of loss, destruction, or damage to valuables of which replacement shall have been made out of the Fund shall be forwarded to the Secretary of the Treasury and shall be credited to the Fund.

The Secretary of the Treasury may at any time, or from time to time, with the approval of the President, prescribe supplemental or amendatory rules and regulations governing claims for replacement of valuables shipped pursuant to the "Government Losses in Shipment Act."

Wayne C. Taylor

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Acting Secretary of the Treasury

APPROVED:

Franklin D. Roosevelt

TREASURY DEPARTMENT  
Division of Deposits  
Form 10-DD

EXHIBIT NO. 1

SHEET NO. \_\_\_\_\_

CONSOLIDATED REPORT OF SHIPMENTS OF VALUABLES  
EFFECTED UNDER THE GOVERNMENT LOSSES IN SHIPMENT ACT

\_\_\_\_\_  
Agency

\_\_\_\_\_  
Location

The Secretary of the Treasury,  
Washington, D. C.

Attention: Division of Deposits

Month ending \_\_\_\_\_, 19\_\_

- |   |          |
|---|----------|
| 1. Currency, coin, bullion, specie . . . . .  | \$ _____ |
| 2. Securities, coupons, negotiable instruments, etc. . . . .                        | _____    |
| 3. Cancelled coupons and/or securities shipped in rotary<br>locked pouches. . . . . | _____    |
| 4. All other . . . . .  | _____    |

The above recapitulation of the schedules attached hereto is a true and complete statement of valuables, as defined in the Government Losses in Shipment Act, shipped by this Agency during the period specified, which shipments have been effected in accordance with the act and regulations issued pursuant thereto.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Official Title)

TREASURY DEPARTMENT  
DIVISION OF DEPOSITS  
Form 8 DD

EXHIBIT NO. 2

SHEET NO. \_\_\_\_\_

Schedule of Valuables Shipped  
under  
GOVERNMENT LOSSES IN SHIPMENT ACT  
Registered and other Mail Shipments

By \_\_\_\_\_ Month ending \_\_\_\_\_, 19\_\_

Date	Hour	Registry or Lock & Rotary or other Receipt No.	CONSIGNEE Name	Address	*Description	Value
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TOTALS

\*Short title, i. e., bonds, notes, currency, etc. Complete record as required in Section 4, Subsection 2 of Treasury Department Circular No. 577, must be on file in office of the consignor subject to call by the Secretary of the Treasury.

NOTE: Only ~~Approved For Release 2001/08/24 : CIA-RDP57-00384R001000100005-7~~ s in Shipment Act shall be included on this schedule.

TREASURY DEPARTMENT  
DIVISION OF DEPOSITS  
FORM 9 DD

EXHIBIT NO. 3

SHEET NO. \_\_\_\_\_

SCHEDULE OF VALUABLES SHIPPED  
UNDER  
GOVERNMENT LOSSES IN SHIPMENT ACT  
SHIPMENTS OTHER THAN BY U.S. MAIL

BY \_\_\_\_\_

MONTH ENDING \_\_\_\_\_, 19\_\_

DATE	HOUR	RECEIPT	NAME OF CARRIER	CONSIGNEE		*DESCRIPTION	VALUE
		NUMBER		NAME	ADDRESS		

TOTALS

\*Short title, i. e., bonds, notes, currency, etc. Complete record as required in Section 4, Subsection 2 of Treasury Department Circular No. 577, must be on file in office of the consignor subject to call by the Secretary of the Treasury.

NOTE: Only shipments made under the provisions of the Government Losses in Shipment Act shall be included on this schedule.

REGULATIONS GOVERNING CLAIMS FOR REPLACEMENT OF VALUABLES,  
OR THE VALUE THEREOF, SHIPPED PURSUANT TO THE  
"GOVERNMENT LOSSES IN SHIPMENT ACT"

1937

First Supplement to  
Department Circular  
No. 577

TREASURY DEPARTMENT,  
Office of the Secretary,  
Washington, August 20, 1937

Accounts and Deposits

TO THE HEADS OF THE EXECUTIVE DEPARTMENTS, INDEPENDENT ESTABLISHMENTS, AGENCIES, WHOLLY OWNED CORPORATIONS, OFFICERS AND EMPLOYEES OF THE UNITED STATES, FEDERAL RESERVE BANKS WHEN ACTING ON BEHALF OF THE UNITED STATES OR AGENCIES THEREOF, AND OTHERS CONCERNED:

Paragraph 1 of Department Circular No. 577 (Accounts and Deposits) dated August 13, 1937, is hereby amended to read as follows:

"1. General Instructions - To facilitate the reporting of loss or destruction of, or damage to valuables and submission of proofs of claim for relief, under the **provisions** of section 3 of the Act, in the event of loss or destruction of, or damage to valuables shipped pursuant to the regulations prescribed under section 1 of said Act, executive departments, independent establishments, agencies, wholly owned corporations, officers, employees, Federal Reserve banks when acting on behalf of the United States or agencies thereof, and others concerned, hereinafter sometimes referred to as "Consignors," should observe strictly the following requirements, except as the Secretary of the Treasury, being satisfied that observance thereof is not necessary to carry out the purposes of the Act and of these regulations, may waive or modify any such requirement. Failure on the part of any consignor or agent or employee thereof to comply with these requirements may retard recoveries and may under the circumstances preclude reimbursement from the Fund or other relief under the Act, and render the consignor responsible for any loss occurring through such negligence."

WAYNE C. TAYLOR

ACTING SECRETARY OF THE TREASURY

APPROVED:

FRANKLIN D. ROOSEVELT  
The White House.